# The Eurozone Crisis and Europe's Persistent 'No-Demos Problem'

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### Peter Lindseth Do 2 Feb 2012

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#### By PETER LINDSETH

As usual, things are moving so quickly in the Eurozone crisis that pressing controversies one day seemingly become old news the next. In the lead up to this week's EU summit, for example, Germany caused a stir by calling for the appointment of an external commissioner with the power to veto the Greek budget because of Greece's inability to meet its budgetary commitments. We'll see where that leads, but outrage in Athens was the predictable result. The Greek finance minister reportedly said: 'Whoever puts before a people the dilemma of choosing between financial assistance and national dignity disregards basic historical lessons'. In the overheated world of contemporary Eurozone commentary, one observer called the proposal 'Anschluss economics'.

But as readers of this blog well know, Germany has its own worries about the Eurozone crisis and what it portends for that country's own historically hard-won democracy. These worries arguably animate, for example, the recent jurisprudence of the German Federal Constitutional Court, as some of my earlier posts have outlined. From the German perspective, recourse to Eurobonds as a means of addressing the crisis (in which other member states might add to Germany's debt obligations without a vote of the national parliament) would almost certainly be seen by the Court as a violation of the Bundestag's historical control over the national purse, and therefore also an affront to the democratic identity of the German constitution.

These two contrasting (Greek and German) expressions of concern over the fate of national democracy in the face of the current crisis, however, are suggestive of a deeper challenge for European integration. I am referring not merely to the Eurozone's seeming lack of financial solidarity among its member states—that, in fact, is merely a symptom. Rather, I am speaking of the notorious lack of a coherent 'demos' for the EU as a whole—what we

academics have long called the 'no-demos problem'.

This label refers to Europe's failure (as yet) to develop a fully autonomous and strongly-legitimated supranational identity akin to a national identity, one capable of sustaining the sort of supranational solidarity and mutual financial discipline that the current debt crisis may well demand. The polity to which integration currently corresponds —'Europe'—does not (as yet) understand itself as sufficiently cohesive to legitimize the EU in a recognizably 'democratic' and 'constitutional' sense. As Joschka Fischer put it in his famous Berlin speech in May 2000 on Europe's constitutional future, European governance has long been understood, not without cause, as a largely 'bureaucratic affair run by a faceless, soulless Eurocracy in Brussels'. This lack of autonomous democratic legitimacy is now making itself felt in the Eurozone crisis.

A European demos need not define itself in linguistic, religious, ethnic, racial or any other purportedly 'organic' or 'pre-political' terms—that would be dangerous and unacceptable. But, for better or worse, a European demos must still define itself historically. This species of historical legitimacy builds on more than merely legal and technocratic foundations—indeed, on more than what Max Weber called 'the directly economic disposition of goods and services'. Rather, it must be grounded in what Weber described as a 'particular pathos' and 'enduring emotional foundations' derived from a history of 'common political struggle'.

The devastating legacy of extreme nationalism, war, and genocide in Europe in the first half of the twentieth century did much to propel the integration process forward in the second half. But that devastating experience, along with the seeming benefits of the integration process itself (its so-called 'output legitimacy'), have proven insufficient to create a sense of an autonomous European demos capable of self-rule through supranational institutions 'constituted' for this purpose. Hence the limitations on supranational solidarity that one now senses in the Eurozone crisis.

Even as many aspects of governance have, over the last half-century, been otherwise denationalized, indeed 'Europeanized', the same has not occurred in the realm of political culture, at least not to the same extent. Europe continues to suffer from a disconnect between the scope of its (actual or needed) supranational power, and the scope of its autonomous supranational legitimacy. In the realm of political culture, the institutions of representative government within the nation-state have thus retained their central role in terms of democratic and constitutional identity, as both the Greek and German perceptions of the current crisis seem to suggest.

All this points to the fact that, like any form of essentially delegated governance (akin, say, to delegation to an administrative agency on the national level), supranational governance in the EU or the Eurozone is legitimate for certain purposes but not others—unless Europeans are prepared to change fundamentally their understanding of what democratic self-government means, or where it is located. The recent examples from both Greece and Germany suggest an ongoing and potentially deep resistance to full-blown integration, even as both countries are acutely aware that the current crisis almost certainly demands 'more Europe'.

Whenever we talk about the legitimacy of integration in whatever form, we must always ask the question 'legitimate for what?' It is one thing for a member state to delegate authority to a supranational process to harmonize regulatory standards in various domains (important a task though that may be). It is quite another to denationalize the power over the national purse in an indeterminate way, as a means of saving a common currency whose initial design and implementation may well have been so flawed.

As the Italian political scientist Stefano Bartolini presciently warned in 2005 (that is, well before the onset of the current crisis), 'the risk of miscalculating the extent to which true legitimacy surrounds the European institutions and their decisions . . . may lead to the overestimating of the capacity of the EU to overcome major economic and security crises'. Unfortunately, the Eurozone crisis is, sadly, proving to be a case in point. Monetary union depended implicitly on the capacity of supranational bodies (most importantly the ECB, but also national governments collectively) to undertake certain policy steps that they simply lacked the autonomous legitimacy to take. Resistance, foot-dragging, and push-back are the inevitable result. The 'no-demos problem' is thus not merely an

object of academic debate. Rather it has real bite, and it may still impede the resolution of the crisis.

To resolve the current crisis, it is becoming increasingly likely that significant sacrifices in terms of traditional understandings of constitutional democracy on the national level may well be required. The resolution of the crisis will, in other words, require more than merely economic or financial concessions. Rather, it may also ultimately require deep and possibly painful political-cultural adjustments in prevailing understandings of democratic self-rule.

These adjustments may demand, in the end (at least for many Europeans), several steps further in the integration process than they are currently willing to go, precisely because of the lack of a common European demos. Then the Euro will fail. Or—and this too is possible—the need to retain the common currency, one which perhaps should never have been established in the first place but whose dismantling now is too costly and unpredictable to contemplate, may ultimately control the outcome. But one can only guess how enduring the regime that emerges from such functional demands will be. We must simply wait and see.

Peter Lindseth is a professor for international and comparative law at University of Connecticut and currently a fellow at the American Academy in Berlin.

This post was originally posted on EutopiaLaw.com and is reposted here with thanks.

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